

**FISCAL NOTE**  
**SB 584 - HB 1160**

February 26, 2007

**SUMMARY OF BILL:** Requires all counties that are not currently participating in the state health insurance local government plan to provide comparable health insurance coverage and pay a comparable portion of the premiums for all employees and officials of the county.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – Not Significant**  
**Increase Local Govt. Expenditures – Exceeds \$5,000,000\***

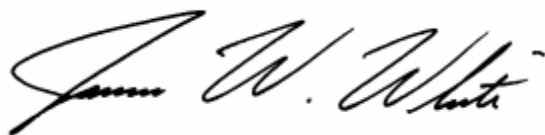
Assumptions:

- The local government insurance committee would have to implement a set standard for comparable coverage and comparable premium payment to the state health plan. There will not be a significant increase in state expenditures for the committee to determine standards and provide regulation over the county insurance plans.
- According to the Comptroller's Office, approximately 10 counties do not provide any portion of premium payments and approximately five counties do not offer any type of insurance at all.
- Counties that do participate in the state health insurance local government plan do not pay a set percentage of the premiums.
- At this time, the fiscal impact to the county governments is unquantifiable, but is estimated to exceed \$5,000,000.

*\*Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director